EXHIBIT F

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Bank of America Countrywide Acquisition Announcement Call Transcript

Executives

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Kenneth D. Lewis - Chairman of the Board, President, ChiefExecutive Officer

Joe L. Price - Chief Financial Officer

Analysts

Mike Mayo - Deutsche Bank

Ron Mandel - GIC

Nancy Bush - NAB Capital Research

Edward Najarian - Merrill Lynch

Ann Macek - Deutsche Bank

Ronald Temple - Lazard Capital Markets

Lori Appelbaum - Goldman Sachs

Jason Goldberg - Lehman Brothers

Jeff Harte - Sandler O'Neill & Partners

Don Jones - Credit Suisse

Doug Smith - Fir Tree

Betsy Graseck - Morgan Stanley

Bank of America Corporation (BAC) Countrywide Acquisition Announcement Call January 11, 2008 8:30 am ET

Operator

Welcome to today's teleconference. (Operator Instructions) Iwill now turn the program over to your moderator, Mr. Lee McIntyre. Go ahead,sir.

Lee McIntyre

Good morning. This is Lee McIntyre, Investor Relations, Bankof America. Before Ken Lewis and Joe Price begin their comments, let me remindyou that this presentation does contain some forward-looking statementsregarding both our financial condition and financial results and that thesestatements involve certain risks that may cause actual results in the future tobe different from our current expectations.

These factors include, among other things, changes ineconomic conditions, changes in interest rates, competitive pressures withinthe financial services industry, and legislative or regulatory requirementsthat may affect our businesses.

For additional factors, please see our press release and ourSEC documents. I will now turn the call over to Mr. Ken Lewis.

Kenneth D. Lewis

Good morning and thanks for joining us on short notice. Iapologize for the late start. We had a backlog of people trying to get

in andwanted to accommodate them as best we could.

We've asked you to join us today to talk about theacquisition of Countrywide. For years I've talked about the importance of themortgage product to the consumer relationship. I've also been asked on manyoccasions about acquisitions and Countrywide more specifically.

I have consistently told you that while I like the mortgageproduct as a cornerstone of the customer relationship, I didn't necessarilylike mortgage companies because of valuations. I've also consistently said thatarithmetic would have to be very compelling to make it work.

Today's announcement presents a unique opportunity toacquire the mortgage capabilities and scale that are critical to our customerrelationships at a time when valuations are in fact very compelling. Ourextensive due diligence supports our overall valuation and pricing of thetransaction.

Now, before we start, let me ask that you limit yourquestions to today's topic as we release, as you know, earnings on the 22nd andwill discuss the fourth quarter results and our usual outlook at that time.

This acquisition further advances our long-term strategy ofhaving leadership positions in the cornerstone products of the consumerrelationship. We've held the leading position in deposits for many years. Wegained a leading position in cards with our acquisition of MBNA in 2006. As wehave described for many years, the only important product for our scale thatdid not match our product position was mortgage.

Alone, we made strides with product and process innovationin mortgage that enabled us in the second quarter to become the largest retailmortgage originator.

What we learned from gaining scale in the products wasinformation about customer behavior that allowed us to create value for ourcustomers. We created new deposit products like Keep the Change and risk-freeCDs. We created new mortgage products like no-fee mortgage, which passed alongour savings in selling straight to the customer.

With this transaction, we have now affirmed our relationshipwith consumers as we gain the leadership position in one of the most importantproducts in our relationship.

Through the first nine months of 2007, Bank of Americaoriginated $145 billion in mortgages, making us the fifth-largest player in thebusiness. With a servicing portfolio of nearly $500 billion, we ranked as thesixth-largest servicer of mortgages. We now move to the top of both originatingand servicing with a 25% share of the origination market and a 17% share of theservicing market.

And while we are regarded as one of the most efficientmortgage shops, Countrywide has product expertise and a sales culture that topsour capabilities. By utilizing their skill sets, we can offer more mortgagecapabilities to our vast customer base.

Also important is the ability to offer their mortgagecustomer base the most complete product suite of cards and deposits and otherfinancial services of any other financial institution.

When we marry the best practices of sales capabilities andefficient operations, we can dramatically improve the profitability of thecompany. As I and my management team met with members of Countrywide's team, Iwas equally impressed with the industry leading technology they employ in theirfront and back offices.

So we view this as a one-time opportunity to acquire thebest mortgage platform in the business at a time when the value is veryattractive.

This transaction fits nicely into our integration plans aswell as we'll run the company separately under the Countrywide brand in 2008while we complete the integration of the sale. Once the sale is finished, ourtransition team will move right into the integration of Countrywide in 2009.Really, the actual systems conversion would be some time in the third quarterof 2009.

Let me tell you just a few things that make Countrywide animportant product. As I said, they are America's largest overall originator ofmortgages, with leadership positions across all sales channels in retail,wholesale, and correspondent lending. With a $1.5 trillion servicing portfolio,they service more than 9 million loans. They have locations, either loanoffices, 700 plus, or banking centers, 200 plus, in nearly every state in theU.S. These offices are focused on the most heavily populated states ofCalifornia, Florida, and Texas, to name a few, and staff of 15,000 mortgagesales associates.

These associates are led by a long tenured management teamthat has built an incredible company with areas of operational expertise thathas weathered many past cycles. Their balance sheet has more than $200 billionin assets and roughly $55 billion in deposits.

As you are all aware, this year has been tough for them astheir model was severely impacted by market liquidity concerns and

the abilityto fund asset growth. These problems play into our strengths as we have thefunding of our deposit book and access to the markets to continue to grow thebusiness.

As you can see from their public financials, over the pastseveral years they have generated substantial earnings and while they changedtheir model given the housing and market conditions over the past six months,we believe by combining our mortgage operations we can generate strong earningsover the long term.

So before I turn it over to Joe for some details of thetransaction, let me say I'm extremely excited about the opportunity to furtherour strategy with consumers. We look forward to making home ownership dreamscome true for years to come.

One more thing though before I turn it over to Joe I want tomention is the acknowledgement of the conditions which we are operating under.There are near-term challenges which remain in this business as we enter thistransaction but where there are challenges, there are always opportunities.

We expect continued weakness in housing throughout 2008 andmortgage volumes to continue to decline as a result, but with innovation inproducts and processes and strong distribution networks, we do expect toimprove our share of mortgage originations. We also expect rising credit costsdue to this housing weakness as delinquencies and defaults continue toincrease.

The good news is much of the originations in the currentmarket are of much higher quality and better spreads than the past couple ofyears. Last, the secondary markets remain fragile and worth keeping an eye onbut many spreads have been improving.

Again, I am excited to gain the mortgage capabilities of thebrand leader in the mortgage industry. I am confident that acquiring thesecapabilities at such a compelling value will drive shareholder value from thistransaction as we integrate the platforms. Joe.

Joe L. Price

Thanks, Ken. Let me now take you through some highlights ofthe deal and deal terms. First, we are buying all of Countrywide and issuingBank of America stock as consideration. The terms are for an exchange ratio of0.1822 shares of Bank of America stock for each Countrywide share. This equatesto a little more than $4 billion in total cost at today's market prices.

From a market pricing perspective, this represents roughly31% of their common book value, or roughly 2.9 times their 2009 projectedearnings using the analyst estimates on First Call.

We expect to close the deal in the third quarter aftercustomary approvals from regulatory bodies as well as Countrywide shareholders.We've completed due diligence and received both board's approvals.

Now, as Ken said the due diligence on this deal wasextensive. We had more than 60 people on the ground for the better part of thelast 30 days, with more focus picking up through the holidays. The focus of thedue diligence, as you would expect, was on the mortgage servicing rights, credit,and legal, as well as accounting and operational areas. The results of our duediligence support our overall valuation and pricing of the transaction.

Let me take you through some of the assumptions weconsidered as you analyze the transaction.

We used the First Call consensus estimates as a base formodeling. We assumed an early third quarter 2008 close so Countrywide resultswill be in the numbers for one half of the year for 2008. We made adjustmentsfor assumptions of cost savings and some business model adjustments, whichleave the transaction neutral to earnings in 2008 but accretive in thefollowing years.

We expect the cost savings to be roughly $670 million aftertax but not fully realized until 2011. These savings represent just over 11% ofthe combination of our consumer real estate first mortgage group andCountrywide's expense base. The savings in year one are minimal with only 33%being realized in the second year.

We estimate a restructuring charge of around $1.2 billionafter tax and have excluded the impact of that charge from our modeling of EPSaccretion. Some of this will go through the income statement and some will onlyhave a balance sheet impact.

We anticipate that as we migrate their mortgage loanholdings to our balance sheet management model, we would reduce their balancesheet by roughly $50 billion in loans. This move allows the mortgageprofessionals to focus on origination and servicing versus managing the balancesheet, consistent with how we manage our business today.

Even with a reduced balance sheet, the equity issued in thetransaction does not support the assets in the transaction and we anticipatethe issuance of additional capital, in addition to the asset reductions, toremain tier one capital ratio neutrality as a result of the deal. Both theanticipated actions of asset reduction and related foregone earnings, as wellas capital issuance, are

included in our assumptions of the EPS accretion.

Now, to sort of reiterate Ken's excitement, we are nowuniquely positioned in the mortgage business with leading origination andservicing capabilities driven off an industry-leading technology platform ledby a deeply experienced management team. This newly scaled leadership in themortgage product has affirmed our capabilities in the three cornerstoneproducts that allow us to deliver value to customers and win more of theirbusiness.

I think you will all agree that such buying opportunitiesmake strategic sense and creates long-term value for our shareholders.

Thank you for your attention and we will now be happy tofield any questions.

Question-and-AnswerSession

Operator

(Operator Instructions) It looks like we'll take our firstquestion from Mike Mayo. Go ahead, please.

Mike Mayo - DeutscheBank

Could you give more detail on the expense savings? What kindof benefit do you get from Bank of America's improved funding versusCountrywide? And on the operational side, how does this all play out? Because Iknow you guys say you can cross sell much better to the Bank of America bankingcenters than you ever would through a standalone office entity likeCountrywide. So ultimately, do these become banking centers or do you push Bankof America's mortgage business over to the Countrywide side?

Kenneth D. Lewis

I'll answer the last piece and then Joe can talk about theexpenses and funding. We are going to do a lot of market analysis on the brand,on both brands and see how all this sorts out. But first I would say that ourthinking is this is more like MBNA operationally in the sense that we willconvert to their system and go that way.

And then we are going to look real hard at whether we do acombination of things -- one, selling products in their mortgage originationoffices but also having Countrywide people in our branches, possibly even withthe brand if it turns out that the analysis says that people do think ofCountrywide mortgages. So it's going to be a mixture that we can't -- I can'tquite tell you how it's going to look like but we are going to be open tohaving a different operating model going forward than either has at the moment.

Joe L. Price

On the first part of your question, obviously the costsavings that we reflected in the financial summary were really expense levelsand those would come from your traditional expected places. The recognitiontiming is more akin to Ken's description of the timing of the conversion andthe operational aspects there.

From a funding standpoint, obviously one of the attractiveparts of this was blending their Countrywide's mortgage expertise origination servicingwith our liquidity profile of the company. We think that fits nicely into thestructural changes happening in the mortgage industry anyway.

We have not reflected significant funding synergies simplybecause -- in the modeling simply because the reduction of the balance sheetfrom that standpoint.

Mike Mayo - DeutscheBank

And how much capital do you expect to issue?

Joe L. Price

To stay capital neutral on this transaction, and we'll giveyou an update on capital for the larger corporation in a week at the earningscall in a little over a week, but in this transaction if you just look at thepurchase price, today's prices it would take you incrementally another coupleof billion dollars would be my expectation.

Mike Mayo - DeutscheBank

And then lastly, the restructuring charge of $1.2 billionafter tax, does that also include write-downs on loans at Countrywide? Or ifyou saw that, would that be in addition?

Joe L. Price

The restructuring charge, think of that more as the typicaltype of things you see for there, so it would be any merger related costs, etcetera. The purchase price of the company will be allocated to the asset andliabilities on a fair value basis and that's where you would capture any of thechanges to the existing asset and liabilities.

Mike Mayo - DeutscheBank

Okay, actually just one last one again; what doesCountrywide have that you don't want? You exited sub-prime early and you exitedsome other areas that they might have.

Kenneth D. Lewis

Mike, going forward, I would see -- obviously the directorigination but no sub-prime. Then you would have a correspondent, but it wouldnot include any large bulk purchases. I don't like the [inaudible] of largebulk purchases, so we would eliminate that and therefore the correspondentbusiness would be your community banks and entities like that.

And then third, there would be some broker business but veryfocused on ones that had performed well through this environment and wouldinclude obviously no sub-prime brokers. That's how I envision the model goingforward.

Mike Mayo - DeutscheBank

Thank you.

Operator

Thank you. We'll take our next question from Ron Mandel withGIC. Go ahead, please.

Ron Mandel - GIC

Thanks. I'm wondering, Joe, if you can expand more onpurchase accounting. My superficial understanding is that when you buy belowbook value like this, so you are buying about $9 billion below book value thatyou could actually mark the assets down by $9 billion without significantlychanging any of the other financials, so I'm wondering how much you thinkyou'll have to write down assets, build legal reserves, and basically how youplan on using that $9 billion by which you are paying below tangible book?

Joe L. Price

Ron, you are right in describing purchase accounting beingthat you fair value the assets and liabilities at the date of the transactionand then, after you do that, you compare that to the purchase price and have toin essence squeeze them down to fit it or else you create negative good will.

Based on all of our due diligence, we feel that the purchaseprice allocation encompasses our ability to take any type of fair valueadjustments needs but the specifics of that obviously will have to be workedout at the date of the actual merger, so the fair values at those dates. But itwould obviously include between all the assets and liabilities, which a portionof the loans would be there, as well as any other open liabilities that wouldbe accruable under GAAP.

Kenneth D. Lewis

Ron, to me looking at the adjustments on a pretax basisprobably gives you a better idea than after tax.

Ron Mandel - GIC

And if the deal were to close today, or whenever youfinished your due diligence, what would the allocations have been?

Joe L. Price

What would the what?

Ron Mandel - GIC

The allocations have been of the good will -- the fair valueadjustments.

Joe L. Price

I'm not ready to go into the detail allocations, Ron, butyou can look at the major asset classes and the major type of contingencies andget a pretty good guess from that standpoint.

Ron Mandel - GIC

And then just one last question related to this; if there isstill something -- if there is negative good will created, how does that work?That hasn't happened in a long time. Does that get accreted into earnings orjust stays like positive good will as unamortized? How does that work fromaccounting --

Joe L. Price

You're right. It's not something that we have dealt with fora while but generally, I think that if you end up with negative good will, youfirst would reduce identifiable intangibles to the extent that they existed andthen after that, you would reduce the basis in other, longer term assets.

Ron Mandel - GIC

Okay, and on the capital raising, do you think it will be commonor hybrid or preferable? What are you thinking of in that regard?

Joe L. Price

We'll look at a variety of sources and let me update you onthat when we do the larger -- when we do our earnings call and talk about thetotal corporation.

Ron Mandel - GIC

Okay, great. Thanks very much.

Operator

Thank you. We'll take our next question from Nancy Bush withNAB Capital Research.

Nancy Bush - NABCapital Research

Good morning, guys. I've got three questions here; does thesenior management of -- how much of the senior management of Countrywide willbe retained in the deal -- i.e., does Mr. Mozilo go away, question number one?

Number two, from a regulatory perspective, what kind of forbearanceare you -- what kind of deposit base are you getting here and is thereregulatory forbearance on the deposit cap?

And number three, how are you planning to "[ring sense]" thebad assets that are acquired here and do you have the personnel to do theworkout, et cetera, et cetera? Is that going to be an additional cost?

Kenneth D. Lewis

Let me start with Angelo. First, we will keep a number oftheir senior people who are very, very good operators. If you think about thiscompany, at the operating level there is probably no better mortgage company inthe world, but when you have two Achilles' heels like wholesale funding andsub-prime, that's been over-shadowed.

Angelo has told me he will do anything we want him to do interms of how long he stays. I would want him to stay through the -- until thedeal gets done and then probably, I would guess that he would then want to gohave some fun. But I'll talk to him next week about his personal desires andwe'll get into the organization at that time as well.

But many of their senior people will have big operatingroles in this company.

Nancy Bush - NABCapital Research

Okay.

Joe L. Price

Nancy, on your second question around deposits, obviouslythe thrift that is housed within the Countrywide company family has got -- hasgot a depository institution but it is a thrift-chartered depositoryinstitution and does not play into the deposit cap.

Nancy Bush - NABCapital Research

Okay, so you just get to keep that intact basically?

Joe L. Price

Yes, and then subsequently, it will all depend on where wehead with the operational mergers of the things as to where we ultimately fundthose.

On your other question, clearly Countrywide itself, andthey've talked about this publicly, had gone into workout mode on a number ofthe assets, or some of the tougher assets in the same manner that we would doand that we do on our own portfolio, so it would be the combined resources ofthose forces that work on that. So from a manpower standpoint, we feel okay.

In regards to "ring sensing", I think you can envision wewould do similar to what we normally do. You generally segregate the assetswith a dedicated team as opposed to having the team that's running theorigination and the other operations, and we are kind of in a workout unit andwe'd envision doing the same thing and looking for disposition alternatives.That would obviously feed into the asset reduction I referenced earlier, toowould be another option there.

Kenneth D. Lewis

Operationally, Nancy, the best analogy I can think of iswhat we did with the EquiCredit portfolio several years ago.

Nancy Bush - NABCapital Research

Okay, great. Thank you very much.

Operator

Thank you. We'll take our next question from Ed Najarianwith Merrill Lynch. Go ahead, please.

Edward Najarian -Merrill Lynch

My questions have mostly been answered, so I guess if youcould just talk about -- come back to your underlying assumption of 3% earningsaccretion. A number of questions have been asked related to how much additionalcapital you may need to issue or what the purchase accounting adjustments mightbe. Largely I guess you've decided to defer the answers to those questions, soI guess we'll have to make our own assumptions but could you tell us for sureif the 3% accretion, if the starting point there is the consensus '09 estimate?And then you've added in all of these synergies and capital raising assumptionson top of that, but that is your base case starting point for the underlyingstarting point for the Countrywide earnings contribution for '09? Is that howwe should think about your assumption process?

Joe L. Price

Let me first add when Mike asked the question, we said itwould be -- the incremental capital would be approximately $2 billion. You cankind of look at the asset base and bring down assets by the level that Ireference and kind of come to your own conclusion on that, but you'll come intothat range.

Kenneth D. Lewis

And Ed, what we said was we'll defer any other capitalcomments until the earnings call.

Edward Najarian -Merrill Lynch

Okay, but just to come back to that, if you are indicatingthen you are going issue $2 billion of capital in order to hold your tier onecapital ratios relatively flat, it would imply a very material write-down. Imean, I don't have the math off the top of my head but clearly it would imply avery material write-down to the assets and therefore the current tangible bookvalue of Countrywide. Is that a fair statement?

Joe L. Price

Let me back up. I think I understand what you are askingnow. In purchase accounting, you have -- let's take the number of shares thatwould be issued, their outstanding share base times the conversion ratio timesthe fair value of our shares or the trading price. That gives you a number thatin today's math approximately $4 billion. That's the amount in purchaseaccounting of equity that we will record so you have to adjust their tangiblebook value down to that. You allocate those adjustments, as I was alluding toearlier with Mike and Ron, based on the fair value, so that is in fact what happensand that's what my point was, is after -- when you do the math on the sharesissue, you need incremental capital to support their asset base.

Edward Najarian -Merrill Lynch

Okay, so by definition, you come out -- your starting pointthen is $4 billion of tangible capital with a concurrent write-down from wherewe are today that gets applied to their assets.

Joe L. Price

And liabilities but you fair value the assets andliabilities, but correct, that's the application of purchase accounting at theacquisition date.

Edward Najarian -Merrill Lynch

Okay, and then if you could make any comments on my originalquestion, to get then to that 3% '09 accretion level, you are adding inobviously your expense save assumptions, your capital issuance assumptions, butyour starting point is the '09 consensus EPS estimate for Countrywide?

Joe L. Price

For the purposes of presentation here, yes but also it'sbeen, as I referenced, adjusted for bringing down the asset levels of thecompany, so that's included in addition to the things you described.

Kenneth D. Lewis

And therefore a minus to revenue.

Joe L. Price

Yeah, and earnings.

Edward Najarian -Merrill Lynch

Okay, so you have taken out a certain amount of revenue fromthat '09 estimate related to your assumptions for reducing the size of theirbalance sheet?

Kenneth D. Lewis

Exactly, and a model that I described previously.

Edward Najarian -Merrill Lynch

Okay. Thank you very much.

Operator

Thank you. We'll take our next call from Ann [Macek] withDeutsche Bank. Go ahead, please.

Ann Macek - DeutscheBank

Good morning. Two questions; one, has the legal structure ofthe entity been decided? In other words, is Countrywide Financial HoldingCompany going to remain a separate legal entity within the Bank of Americaframework?

And then related, with respect to the outstanding debt ofCountrywide, do you anticipate an implicit support for that debt or is theresome sort of explicit support anticipated?

Kenneth D. Lewis

Over the course of the next six months through closing,we'll work out an exact structure of the mergers in terms of internal legalentities, so I don't have anything to report to you on that point.

And then don't -- I mean, this merger is subject toregulatory approval, it is subject to shareholder vote on their standpoint, etcetera -- a separate legal entity until we merge, so that's what it is.

Ann Macek - DeutscheBank

And then on the debt, explicit or implicit once it's closed?

Kenneth D. Lewis

That's my point -- they're a separate legal entity that havetheir obligations. We have no incremental obligations around that.

Ann Macek - DeutscheBank

Understood. Thank you.

Operator

We'll take our next question from Ron Temple with LazardAsset. Go ahead, please.

Ronald Temple -Lazard Capital Markets

First question -- have you received any form of governmentsupport or back stop related to the credit quality of Countrywide'sheld-for-investment portfolio?

Joe L. Price

No.

Ronald Temple -Lazard Capital Markets

And I guess part two of that is how are you thinking aboutthe loss content in the thrift loan portfolio? I'm assuming that's embedded butclearly there's some concerns around that portfolio, so how have you guyslooked at that?

Joe L. Price

Ron, we would have done our own, as Ken just alluded to andI described, we did our own due diligence and clearly incorporated that. Andwhat I can tell you is when you couple that with all of the other items that wecovered in due diligence, got comfortable that the economics that we arrived atin pricing the transaction fully reflected the concerns that you are alludingto.

Ronald Temple -Lazard Capital Markets

And when you talk about tangible equity, I am assuming theMSR is considered an intangible asset. I just want to confirm that. How are youguys approaching the MSR?

Joe L. Price

Well, the MSR is not considered intangible in the context ofhow you typically think of good will from that standpoint. It has specificcapital requirements that you need to carry under RBC and under the variousattributes. And so as we've modeled, we would have modeled with the appropriate-- you know, with the applicable capital requirements embedded for carryingmortgage servicing rights.

Ronald Temple -Lazard Capital Markets

Okay, that helps. Two other quick ones; do you have anyprotection from legal ramifications? Obviously Countrywide has been involved insome litigation thus far. How should we think about that? I think Ron Mandelkind of referenced that implicitly as well.

Joe L. Price

I'll go back to the comment I made earlier -- again, our --you know, clearly focused on those areas in due diligence, both from acorporate as well as a particular product aspect and incorporated that in theeconomic evaluation arriving at our pricing, or validating our pricing.

Ronald Temple -Lazard Capital Markets

All right. Last question; in terms of, I know you guys don'tfocus on this ratio necessarily, but tangible equity, tangible assets -- Imean, how should -- and I appreciate that LaSalle is another moving part thatyou don't want to get into but how should we think about that? Is there anykind of philosophically a floor on that ratio that you are thinking about,either of you that you would want to address?

Kenneth D. Lewis

Well, not necessarily a floor but over time, we'd feel thesame way that we do about the tier one that over time, we'd have it over 4% andwe would have the tier one at 8% or better.

Ronald Temple -Lazard Capital Markets

Okay. Last question -- is there any collar on the deal orany kind of -- no?

Kenneth D. Lewis

No, it's a fixed exchange rate.

Pg. 39 - Exhibit F

Ronald Temple -Lazard Capital Markets

Great. Thank you very much.

Operator

We'll take our next question from Lori Appelbaum withGoldman Sachs. Go ahead, please.

Lori Appelbaum -Goldman Sachs

My questions were largely asked by Ron and Ron, but I'll tryagain anyway. Joe, you mentioned that much of the due diligence was spent onthe MSR credit and legal and that was a factor in how you set the exchangeratio. If you could provide any key assumptions across those three measures atall in coming to the exchange ratio.

Joe L. Price

No, not really and let me clarify, Lori; what we did is wedid our due diligence and then obviously our exchange ratio was establishedbased on market pricing and all the other attributes that you would consider inthat. And what I was meaning is that our due diligence findings were supportedor fully encompassed in when we set that exchange ratio.

But no, I'm not prepared to provide any detailed specificestimates on particular items and obviously that will change up through thedate of application of purchase accounting once the deal is approved in earlythird quarter.

Operator

We'll take our next question from Jason Goldberg with LehmanBrothers. Go ahead, please.

Jason Goldberg -Lehman Brothers

Thanks. I was hoping you could shed some more light in termsof additional details on the planned asset dispositions.

Joe L. Price

What I was really referencing is the, you know, carryinghome mortgage loans in a separate consumer unit versus utilization to manageour interest rate risk and our net interest income, it would be the migration.So if you think about the way we run our company, as we talked about before, wewould be simply following that pattern and in managing both capitalrequirements as well as our overall rate sensitivity -- and quite frankly,embedded credit risk that many questions have been focused on. We would look tothe -- that would drive that reduction and it may not be exactly the $50billion referenced but we figure that's a pretty good proxy for where we thinkwe'd end up at that time.

Jason Goldberg -Lehman Brothers

Okay, and then Ken, in the past, you've been very criticalof mortgage servicing accounting. Any new thoughts on that or how do you thinkabout that now?

Kenneth D. Lewis

Well, that's the one thing I couldn't eliminate. Weeliminated the sub-prime and we eliminated the bulk purchases but we'll have tolive with this and they've managed it very well and we have as well. But in aperfect world, I wish that had gone away but it doesn't.

Jason Goldberg -Lehman Brothers

Okay, and then lastly, could you just give us any additionalcolor in terms of how you see mortgage losses playing out within theirportfolio?

Kenneth D. Lewis

Well, that would be embedded in the purchase price and inour assumptions on earnings going forward.

Jason Goldberg -Lehman Brothers

I guess give us more details in terms of how you arrive atthose figures.

Kenneth D. Lewis

We're not prepared to do that now and we certainly don'twant to go by category. Just remember, Countrywide is a separate public companywith its own reporting obligations. We still have a lot of approvals in frontof us, et cetera. So that would be in essence asking us to forecast theirearnings.

Jason Goldberg -Lehman Brothers

Okay. We'll do that. Thanks.

Operator

(Operator Instructions) We'll take our next question from JimHarte with Sandler O'Neill. Go ahead, please.

Jeff Harte - SandlerO'Neill & Partners

Most of my questions have been hit, two left; one, lunderstand that the due diligence process from the credits and what's in theportfolio standpoint. Can you talk a little bit more about how you got comforton the litigation and potential regulatory side? Because we're looking at oneof the biggest sub-prime issuers out there and with sub-prime having a lot ofproblems and government entities looking into it and lawsuits potentiallylooming, how do you get comfortable with your potential exposures on those twofronts?

Kenneth D. Lewis

Well, all I can say is we had a lot of advice from both ourinternal group and also from two other entities that put some parameters aroundit.

Jeff Harte - SandlerO'Neill & Partners

Okay. And finally, when we talk about the mortgage servicingrights, can you quantify at all how much of an advantage Bank of America wouldhave as far as the capital that would have to be held against mortgageservicing rights relative to a Countrywide?

Joe L. Price

Actually, I don't view that as an advantage per se from thatstandpoint. I think the economic capital required, we would most likely be verysimilar from a regulatory standpoint. It's obviously driven by the applicableRBC rules from that standpoint.

Jeff Harte - SandlerO'Neill & Partners

Okay. Thank you.

Operator

We'll take our next question from Don Jones with CreditSuisse. Go ahead, please.

Don Jones - CreditSuisse

Good morning. Thanks for hosting this call. There was aquestion asked earlier about structure. I know you guys haven't finalized thatbut if this is Countrywide as a subsidiary, a finance subsidiary of Bank ofAmerica, would that indicate that there would be on the debt ratings that therewould probably be a notch lower rating on the senior type of debt structure forthe Countrywide issues?

Kenneth D. Lewis

Not something I'd want to speculate on.

Don Jones - CreditSuisse

My apologies -- not necessarily on the rating, but -- sothese senior Countrywide obligations won't be para passu with senior Bank ofAmerica holding company obligations, correct?

Kenneth D. Lewis

Well, are you talking -- post merger, we will obviously lookat the operating entities and construct what we feel to be the most optimalscenario, both from an operational as well as financial standpoint. But that'sstill yet to be determined.

Don Jones - CreditSuisse

Okay, great. Thank you.

Operator

We'll take our last question from Doug Smith with Fir Tree.Go ahead, please.

Doug Smith - Fir Tree

Good morning. Two questions; the first is do you expectCountrywide will continue to pay its common dividend until the transactioncloses? And the second question is do you anticipate providing any liquiditysupport to Countrywide before the transaction closes?

Kenneth D. Lewis

I'd refer you to Countrywide's team to talk about thedividend and obviously the requisite provisions of the agreement will be filedwithin the requisite period here pretty quickly.

And then on the liquidity side, again I'd refer you to theCountrywide team to talk about the interim period between now and the necessaryapprovals to be able to consummate the transaction from that standpoint. Butobviously part of our analysis was their liquidity plan and the ability tomaintain their operation through closing.

Operator

We'll take one more question from Betsy Graseck with MorganStanley. Go ahead, please.

Betsy Graseck -Morgan Stanley

Thanks. Just a question on the preferred investment that youhave; is there any change in the valuation that you would need to address withthis transaction?

Joe L. Price

No, Betsy. I mean, mechanically, ultimately at the mergerdate that kind of eliminates some consolidation at the total company level andthen again, depending upon the legal entity structures, we'll determine whetherinternally it stays outstanding from there.

The numbers that we were describing earlier though as wewere talking about the purchase price compared to tangible book value or tobook value, we're talking about common book value so that would have excludedthe preferred, you know, the equity that was attributable to preferred also.

Betsy Graseck -Morgan Stanley

Thanks.

Operator

I would now like to turn it over to Mr. McIntyre for anyclosing remarks.

Lee McIntyre

No, we have none. Thanks.

Operator

This concludes today's teleconference. Thank you for yourparticipation and you may disconnect at any time.

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